




City of Chattanooga

Stan Sewell
Director

INTERNAL AUDIT
City Hall
Chattanooga, Tennessee 37402

Ron Littlefield
Mayor

MEMORANDUM

To: Mayor Ron Littlefield
From: Stan Sewell, Director of Internal Audit 
Date: July 12, 2011
Re: Tennessee Multicultural Chamber of Commerce

Based upon your request, we have reviewed the audited financial statements of the Tennessee Multicultural Chamber of Commerce, Inc. (TMCC) and TMCC Foundation (combined) along with a limited amount of publicly available information (IRS Form 990s and property tax records). This review included five years of audited financial statements. The most current of those statements was for the fiscal year ending June 30, 2009 with a report issuance date of June 20, 2011.

This review did not include interviews with staff nor reviews of detailed records at TMCC. Therefore, our comments should be considered only from the perspective of identifying areas of question or concern. Further, we would likely have developed additional comments or concerns had we devoted more time to the review of available documentation. During our review, we developed the following comments and questions:

Executive Compensation

Per IRS Form 990, the CEO's compensation for the fiscal year ending June 30, 2008 was \$139,670, excluding \$24,500 in benefits (insurance/deferred compensation). The compensation increased to \$146,484 for 2009 and then dropped to \$134,490 for 2010. Per IRS Form 990 for fiscal year ending June 30, 2010, TMCC had 4 employees and 8 volunteers. We compared this level of compensation to that of two other not-for-profit organizations in the area: Big Brothers Big Sisters of Chattanooga, Inc. (BBBS) and Partnership for Families, Children and Adults, Inc. (PFCA). **A schedule of relevant information is attached.**

We selected BBBS due to the similarity of budget/expenditures to TMCC. However, we noted that BBBS had 13 employees and 300 volunteers (a substantially greater number than TMCC). The CEO for BBBS has decades of experience as a not-for-profit executive director. However, his total compensation for fiscal year ending June 30, 2009 was \$64,689 (less than half that of the CEO for TMCC).

We selected PFCA due to its complex organizational structure and substantially larger budget when compared to TMCC. Although PFCA had annual expenditures almost eighteen (18) times that of TMCC, received grants from multiple federal and state agencies, administered several programs for a multi-county area, and had 198 employees and 237 volunteers, the CEO's salary, as well as total compensation, was substantially less than the CEO for TMCC.

Travel Expenditures

The organization's travel expenses average near \$27,000 per year (\$27,132 for fiscal year ended June 30, 2009). This does not include expenditures separately listed as meetings and conferences. This is an average expenditure in excess of \$13,000 per employee. Total travel expenses for BBBS (similar size budget) were \$8,188 for 2009. This is an average expenditure of \$630 per employee.

Fiscal Management

As of June 30, 2005, TMCC had a deficit equity position of \$48,418 (Total Assets of \$39,130 and Total Liabilities of \$87,548). Although HUD grant revenues were received during fiscal years ending June 30, 2006 and 2007, they were for a specific (restricted) purpose and related expenditures were capitalized. Negative equity related to unrestricted activity grew to \$71,871 for 2006, \$80,277 for 2007, \$131,761 for 2008 and \$191,382 for 2009.

It appears these consecutive and persistent losses from operations were funded by increases in debt. TMCC's line of credit increased from \$42,741 at June 30, 2005 to \$96,294 at June 30, 2009. Further, notes payable incurred during fiscal year ending June 30, 2009 in the amount of \$579,169 substantially exceeds the related land acquisition costs (capitalized at \$507,630).

A review of tax records indicates the above referenced properties acquired with a total debt of \$579,169 have a value of \$211,800, substantially below the purchase price.

The organizations current ratio at June 30, 2009 is less than 12% (current assets of \$17,745 vs. current liabilities of \$150,851). A review of income for the five year period does not reveal any trend of increasing revenue. As noted above, the organization is consistently running losses from year to year. Long-term debt alone exceeds the book value of all (real and tangible) unrestricted assets. This lack of available assets to secure debt, should limit the organization's ability to obtain additional loans. We noted the increasing line of credit also has had increasing interest rates (at a time of historically low rates).

During fiscal year ended June 30, 2009, the organization increased its future annual operating expenses by over \$49,000 per year (interest only loan) to purchase the above referenced properties. This expense was added when the organization had virtually no liquid assets and has been incurring an operating loss for years. The audited financial statements provide no notes related to the organizations expected revenue source to fund the additional debt. Further, the notes to the financial statements provide no explanation as to the related business purpose of this real estate acquisition.

We noted the organization had bank overdrafts at year end for two of the five audit reports we reviewed. Each of these instances represents a single day within a 365 day year. It is likely such overdrafts have been common.

Discrepancies

We compared the June 30, 2009 Form 990 financial information to the financial information in the June 30, 2009 audited financial statements and noted multiple discrepancies in reported amounts. We also noted all revenue was not reported as being for the organization's exempt purpose in Part VIII of the June 30, 2009 Form 990.

Submissions to the City in February 2010 and February 2011 indicated only two employees. However, Form 990 for fiscal year ending June 30, 2010 indicates they had four employees.

Budget submissions to the City seem to consistently differ from actual expenditures. For example, FY09, FY10, FY11 budget indicates anticipated travel expenses of \$1,200 per year. However, actual expenditures were \$26,105 for FY08 and \$27,132 for FY09. Another example would be the lack of budgeted interest expense for debt on the two lots obtained during FY09.

HUD Grant

During fiscal years ending June 30, 2006 and June 30, 2007, the organization received and expended \$306,400 of a total \$545,000 grant amount from HUD. The HUD grant(s) were to support the construction of a \$4,400,000 Business Solutions Center (BSC). TMCC was/is to provide \$3,555,000 of cash and \$300,000 of in-kind contributions in addition to the HUD grant funds. As of June 30, 2009, no funds have been expended on the project other than the HUD grant money.

HUD funds in the amount of \$200,000 were utilized to purchase land for the project during fiscal year ending June 30, 2006. The remaining \$106,400 was expended during the two years ending June 30, 2007 for planning, administration and project management. This represents virtually all allowable grant expenditures for such project management costs. However, the organization has not yet broken ground on the project. Further, a subsequent events note in the audited financial statements indicates the organization has now billed and received the remaining \$238,600. A physical inspection of the land shows no signs of project activity. There were no expenditures on the project during fiscal years ending June 30, 2008 or 2009.

Notes to the June 30, 2006 financial statements indicate an expected completion date for the BSC of June 30, 2008. Notes to the June 30, 2007 financial statements indicate an expected completion date of June 30, 2009. Notes to the June 30, 2008 financial statements indicate an expected completion date of June 30, 2010. Notes to the June 30, 2009 financial statements omitted any reference to an expected completion date.

Although a review of the detailed grant terms is necessary to determine liability, there is a sufficient amount of information to raise concern that TMCC has not met, and will not meet, the grant terms. A demand for repayment by HUD would result in an instant liability of \$545,000. The land purchased with the grant funds for \$200,000 has a current tax appraised value of \$78,000.

Summary

Based on the limited review of available information, it appears the management and/or board of TMCC/TMCC Foundation have made extravagant expenditures and obligated the organization to excessive liabilities at a time when liquid assets were virtually nonexistent and operating losses were being consistently incurred. Even with continued funding from the County and City, the organization's ability to continue as a going concern should be questioned. Schedules of various financial data excerpted from the audited financial statements and IRS Form 990s are attached.

A review of the June 30, 2010 audited financial statements should provide a more accurate understanding of the organization's current financial position. Should the City consider appropriating funds to the TMCC in the current fiscal year, we recommend a review of the organization's unaudited financial information for fiscal year ending June 30, 2011, along with the audited financials for June 30, 2010. We also recommend a complete report from the organization's management be requested detailing all debt, the current value of all property securing the debts, and a detailed plan for servicing the debt.

We further recommend the City request thorough answers to the following questions:

1. Where does TMCC expect to obtain the \$3,500,000 of funds necessary to complete the HUD funded BSC?
2. If TMCC has no anticipated source of funding for the BSC, how does the organization plan to repay the HUD funds totaling \$545,000?
3. Why did TMCC continue to draw down HUD funds after the initial year when no sources of revenue seem to be appearing to fund the remaining portions of the project?
4. What efforts did TMCC make to raise money for the BSC? Did TMCC ever have an intention of completing the BSC?
5. Current tax appraisal on the land purchased for the BSC is \$78,000. What was the justification for paying \$200,000 for this land? Was an appraisal obtained prior to purchase?

6. Who was paid in relation to the BSC planning, project management, and administration costs (\$106,400)? Can the TMCC provide detail reports, designs, etc. related to these costs?
7. What was the purpose of the acquisition of the two lots via notes payable in the amount of \$579,269?
8. The two lots were capitalized at \$507,630. Why was the associated debt \$71,639 more (\$579,269 - \$507,630)? Was this used to fund the continuing operating losses?
9. Tax appraisal on the two lots totals \$211,800. What was the justification for expending \$507,630 to purchase them (and incur \$579,269 of debt)? Was an appraisal obtained prior to purchase?
10. The two lots were purchased when the organization was running overdrafts (no liquid assets) and consistent operating losses. How did the organization expect to service the debt on this land acquisition at the time the decision was made to purchase?
11. Why has the interest rate on the organization's line of credit increased during a time of historically low interest rates?
12. Why have management and the board not taken action to reduce expenditures when losses have consistently been incurred from year to year?
13. What comparison and analysis has the board made to set the CEO salary?
14. Can the organization provide a detailed breakdown of travel expenses along with justification for each trip?
15. The organization expends \$47,000 per year for rent (excluding utilities). Considering TMCC has only two employees, has management considered alternate facilities?
16. Can the organization explain why the audited financial statements for fiscal year ending June 30, 2009 were not completed until almost two years after the fiscal year end (June 30, 2011)?
17. When does the organization expect to have its audited financial statements for June 30, 2010?
18. Can the organization provide a current list (as of June 30, 2011) of all assets specifying their current market values, along with a list of all liabilities?

At your request, we will exercise the City's right to review detailed records of the organization to develop a more specific and in depth report.

The issue(s) discussed in this memorandum are not the result of an audit performed in accordance with generally accepted government auditing standards. Had we performed such an audit, additional issues may have been reported. The purpose of this memorandum is to provide management with information that may be useful.

cc: Dan Johnson, Chief of Staff
Daisy Madison, Chief Financial Officer

**Excessive Executive Compensation
Analysis per Form 990**

	Partnership for Families Fiscal Year Ending June 30, 2010	Big Brothers Big Sisters Chatt Calendar Year 2009	Tennessee Multicultural Chamber Fiscal Year Ending June 30, 2010	Tennessee Multicultural Chamber Fiscal Year Ending June 30, 2009
Total Revenues	\$ 8,690,590	\$ 541,831	\$ 587,855	\$ 501,007
Total Expenses	\$ 8,256,150	\$ 492,979	\$ 461,662	\$ 518,711
Net Assets	\$ 7,012,578	\$ 1,094,979	\$ 334,599	\$ 212,872
Number of Employees	198	13	4	4
Number of Volunteers	237	300	8	8
CEO Salary	\$ 102,153	\$ 64,689	\$ 117,306	\$ 131,484
CEO Other Comp: Personal Auto, Cell	\$ 17,184	\$ -	\$ 17,184	\$ 15,000
Total Comp excluding Benefits	\$ 119,337	\$ 64,689	\$ 134,490	\$ 146,484

Big Brothers Big Sisters of Chattanooga has 13 employees that are mainly professional case managers. Each case manager carries a case load from 40 to 80 cases. The CEO has oversight of 300 volunteers in addition to the staff. The organization's budget amount is extremely similar to that of the Multicultural Chamber. The CEO receives no fringes (personal use auto, cell phone, etc.). His salary is approximately one half that of the Multicultural Chamber's CEO. Further, he has decades of experience as a nonprofit Executive Director.

The Partnership for Families Children and Adults has a multi-million dollar budget, receives funding from multiple state and federal agencies, as well as local contributors, program revenues, United Way, etc. The organizations has multiple programs, locations and complex funding structures. With over two hundred volunteers and almost as many employees, this organization is several levels above the Multicultural Chamber in terms of size and complexity. However, the Partnership's CEO receives a base salary and other compensation substantially below that of the Multicultural Chamber's CEO.

Comparison of travel expenses and employee benefits to Big Brothers Big Sisters indicates extravagance in travel expenditures and raises question for Employee Benefit expenses.

MULTICULTURAL CHAMBER OF COMMERCE
ANALYSIS OF FINANCIAL INFORMATION AVAILABLE
REVIEWED JULY 6, 2011

Excerpts: See complete audit report

INCOME STATEMENT

	AUDITED FINANCIALS FYE JUNE 30, 2009	AUDITED FINANCIALS FYE JUNE 30, 2008	AUDITED FINANCIALS FYE JUNE 30, 2007	AUDITED FINANCIALS FYE JUNE 30, 2006	AUDITED FINANCIALS FYE JUNE 30, 2005
GOVERNMENT GRANTS	\$ 225,000	\$ 225,000	\$ 273,801	\$ 465,500	\$ 217,500
CONTRIBUTIONS	-	11,500	32,370	69,805	111,742
MEMBERSHIP DUES	85,852	68,467	77,444	82,633	101,730
RENTAL INCOME	17,500	19,500	19,500	19,500	21,100
FUNDRAISING	89,121	119,395	-	-	-
INTEREST INCOME	79	127	365	240	183
OTHER INCOME	3,941	7,095	30,130	8,745	3,259
INCOME	\$ 421,493	\$ 451,084	\$ 433,610	\$ 646,423	\$ 455,514
PROGRAM SERVICES	279,883	243,455	210,758	323,533	348,451
MANAGEMENT AND GENERAL	177,014	173,509	137,771	66,315	74,548
FUNDRAISING	24,217	51,814	35,087	32,028	37,228
EXPENSES	\$ 481,114	\$ 468,778	\$ 383,616	\$ 421,876	\$ 460,227
NET INCOME (LOSS)	\$ (59,621)	\$ (17,694)	\$ 49,994	\$ 224,547	\$ (4,713)
NET INCOME (LOSS) Excluding HUD restricted	\$ (59,621)	\$ (17,694)	\$ (8,406)	\$ (23,453)	
EQUITY (BEGINNING OF YEAR)	\$ 174,639	\$ 226,123	\$ 176,129	\$ (48,418)	\$ (43,705)
EQUITY (END OF YEAR) *	\$ 115,018	\$ 174,639	\$ 226,123	\$ 176,129	\$ (48,418)
	* \$306,400 RESTRICTED	* \$306,400 RESTRICTED	* \$306,400 RESTRICTED	* \$248,000 RESTRICTED	
DEFICIT UNRESTRICTED	DEFICIT UNRESTRICTED	DEFICIT UNRESTRICTED	DEFICIT UNRESTRICTED	DEFICIT UNRESTRICTED	

MULTICULTURAL CHAMBER OF COMMERCE
ANALYSIS OF FINANCIAL INFORMATION AVAILABLE
REVIEWED JULY 6, 2011

Excerpts: See complete audit report

BALANCE SHEET

	AUDITED FINANCIALS FYE JUNE 30, 2009	AUDITED FINANCIALS FYE JUNE 30, 2008	AUDITED FINANCIALS FYE JUNE 30, 2007	AUDITED FINANCIALS FYE JUNE 30, 2006	AUDITED FINANCIALS FYE JUNE 30, 2005
CASH	\$ 14,991	\$ 17,594	\$ 5,950	\$ -	\$ 5,611
LAND - UNRESTRICTED	507,630	-	-	-	-
LAND - RESTRICTED	200,000	200,000	200,000	200,000	-
DEVELOPMENT COSTS - RESTRICTED	106,400	106,400	106,400	48,000	-
OFFICE EQUIPMENT	29,339	29,339	28,379	28,379	18,379
FURNITURE AND FIXTURES	52,941	52,941	52,941	52,941	50,326
ACCUMULATED DEPRECIATION	(73,609)	(66,708)	(59,252)	(49,556)	(38,549)
LOAN FEES (NET)	4,592	-	-	-	-
DEPOSITS	2,754	1,254	1,254	1,254	1,254
EARNEST MONEY	-	1,500	1,500	-	-
PREPAID EXPENSES	-	-	-	-	2,109
TOTAL ASSETS	\$ 845,038	\$ 342,320	\$ 337,172	\$ 281,018	\$ 39,130
ACCOUNTS PAYABLE	7,269	7,421	7,245	11,421	4,568
DEFERRED MEMBERSHIP DUES	40,529	35,463	-	-	-
PAYROLL TAXES	4,360	3,568	2,791	3,080	2,977
LINE OF CREDIT	96,294	84,224	68,180	45,192	42,741
COMPENSATED ABSENCES	2,399	6,371	16,446	18,678	13,957
NOTES PAYABLE	579,169	-	-	-	-
CAPITAL LEASES PAYABLE	-	6,108	16,387	25,483	23,305
BANK OVERDRAFT	-	24,526	-	1,035	-
TOTAL LIABILITIES	\$ 730,020	\$ 167,681	\$ 111,049	\$ 104,889	\$ 87,548
RESTRICTED EQUITY	306,400	306,400	306,400	248,000	-
UNRESTRICTED EQUITY (DEFICIT)	(191,382)	(131,761)	(80,277)	(71,871)	(48,418)
TOTAL LIABILITIES AND EQUITY	\$ 845,038	\$ 342,320	\$ 337,172	\$ 281,018	\$ 39,130

MULTICULTURAL CHAMBER OF COMMERCE
ANALYSIS OF FINANCIAL INFORMATION AVAILABLE
REVIEWED JULY 6, 2011

Excerpts: See complete audit report

	AUDITED FINANCIALS FYE JUNE 30, 2009	AUDITED FINANCIALS FYE JUNE 30, 2008	AUDITED FINANCIALS FYE JUNE 30, 2007	AUDITED FINANCIALS FYE JUNE 30, 2006	AUDITED FINANCIALS FYE JUNE 30, 2005
DETAIL OPERATING EXPENSES					
ACCOUNTING/AUDIT	\$ 8,954	9,725	6,325	5,458	12,140
ADVERTISING	12,041	14,100	17,675	20,428	23,442
AMORTIZATION	1,148	-	-	-	-
AWARDS BANQUET	24,217	51,814	24,634	15,202	21,395
BANK CHARGES	1,128	1,978	4,002	2,514	2,075
CONTRACT LABOR	-	4,680	9,690	256	6,240
DEPRECIATION	6,902	7,456	9,696	11,007	10,228
EMPLOYEE BENEFITS	47,821	41,624	41,363	46,028	39,628
EQUIPMENT RENTAL AND MAINTENANCE	8,784	10,634	6,169	10,665	13,628
FLOWERS AND GIFTS	479	1,187	810	2,307	2,135
FUNDRAISING	-	-	10,453	16,826	15,833
INSURANCE	8,005	3,808	4,516	5,855	3,686
INTEREST	16,143	8,493	12,353	9,458	6,971
MEETINGS AND CONFERENCES	2,704	2,445	3,588	7,381	2,891
MEMBERSHIPS AND FEES	5,615	4,307	6,279	3,820	6,106
MISCELLANEOUS	6,096	5,792	5,671	2,384	3,119
OFFICE SUPPLIES	6,171	9,733	6,979	9,804	9,474
PARKING FEES	3,092	1,927	3,607	2,908	3,484
PAYROLL TAXES	15,358	14,300	11,922	12,276	12,459
POSTAGE AND DELIVERY	6,655	4,810	6,181	7,149	7,881
PRINTING AND PUBLICATIONS	6,241	1,789	5,788	16,539	2,392
PROPERTY TAXES	2,302	1,102	1,035	966	-
RENT	46,870	46,970	46,971	48,928	45,013
REPAIRS AND MAINTENANCE	191	-	-	-	-
SALARIES	204,908	181,105	102,786	126,062	164,247
TELEPHONE	4,474	2,356	5,057	9,807	1,416
TRAVEL	27,132	26,105	19,489	23,104	27,493
UTILITIES	7,683	10,538	10,577	4,744	16,851
GRANTS TO TMCC					
TOTAL EXPENSES	\$ 481,114	\$ 468,778	\$ 383,616	\$ 421,876	\$ 460,227

MULTICULTURAL CHAMBER OF COMMERCE
ANALYSIS OF FINANCIAL INFORMATION AVAILABLE
REVIEWED JULY 6, 2011

Excerpts: See complete Form 990s

	FORM 990 TME 30-Jun-10	FORM 990 TMCC 30-Jun-10	CONSOLIDATED 990 30-Jun-10	FORM 990 TME 30-Jun-09	FORM 990 TMCC 30-Jun-09	CONSOLIDATED 990 30-Jun-09	FORM 990 TME 30-Jun-08	FORM 990 TMCC 30-Jun-08	CONSOLIDATED 990 30-Jun-08
INCOME STATEMENT									
GOVERNMENT GRANTS	\$ -	\$ 380,000	\$ 380,000	\$ -	\$ 225,000	\$ 225,000	\$ -	\$ 225,000	\$ 225,000
CONTRIBUTIONS	-	141,274	13,603	-	-	-	5,000	174,393	10,000
MEMBERSHIP DUES	52,625	29,405	82,030	81,543	9,375	90,918	66,240	5,400	71,640
RENTAL INCOME	-	20,127	20,127	-	-	-	-	20,615	20,615
FUNDRAISING	77,810	13,160	90,970	141,194	15,775	156,969	104,845	(37,339)	67,506
INTEREST INCOME	6	851	857	62	17	79	49	142	191
OTHER INCOME	213	3,038	3,251	2,477	250,840	24,592	4,342	1,649	5,991
INCOME	\$ 130,654	\$ 587,855	\$ 590,838	\$ 225,276	\$ 501,007	\$ 497,558	\$ 180,476	\$ 389,860	\$ 400,943
PROGRAM SERVICES									
MANAGEMENT AND GENERAL	127,839	272,158	272,326	228,919	359,591	359,785	169,631	323,867	324,105
FUNDRAISING	-	102,171	102,171	-	119,445	119,445	-	84,768	84,768
	-	87,333	87,333	-	39,675	39,675	-	25,508	25,508
EXPENSES	\$ 127,839	\$ 461,662	\$ 461,830	\$ 228,919	\$ 518,711	\$ 518,905	\$ 169,631	\$ 434,143	\$ 434,381
NET INCOME (LOSS)	\$ 2,815	\$ 126,193	\$ 129,008	\$ (3,643)	\$ (17,704)	\$ (21,347)	\$ 10,845	\$ (44,283)	\$ (33,438)
NET INCOME (LOSS) Excluding HUD restricted									
EQUITY (BEGINNING OF YEAR)	\$ 8,753	\$ 212,872	\$ 221,625	\$ 12,397	\$ 187,036	\$ 199,433	\$ 1,552	\$ 165,296	\$ 166,848
EQUITY (END OF YEAR) *	\$ 11,568	\$ 334,599	\$ 346,167	\$ 8,753	\$ 212,872	\$ 221,625	\$ 12,397	\$ 181,182	\$ 193,579
		No restricted			Restricted \$377,713	Restricted \$377,713	Prior Per Ad \$60,169	Prior Per Ad \$60,169	
BALANCE SHEET									
CASH	\$ 13,273	\$ 10,483	\$ 23,756	\$ 10,458	\$ 4,533	\$ 14,991	\$ 12,951	\$ (19,882)	\$ (6,931)
LAND - UNRESTRICTED	-	855,076	855,076	-	205,740	205,740	-	200,000	200,000
LAND - RESTRICTED	-	-	-	-	-	-	-	-	-
DEVELOPMENT COSTS - RESTRICTED	-	106,400	106,400	-	106,400	106,400	-	106,400	106,400
OFFICE EQUIPMENT	-	82,281	82,281	-	29,340	29,340	-	29,339	29,339
FURNITURE AND FIXTURES	-	-	-	-	52,941	52,941	-	52,941	52,941
ACCUMULATED DEPRECIATION	-	(77,031)	(77,031)	-	(72,180)	(72,180)	-	(62,877)	(62,877)
LOAN FEES (NET)	-	-	-	-	-	-	-	-	-
DEPOSITS	-	1,254	1,254	-	1,254	1,254	-	1,254	1,254
PREPAID EXPENSES	-	-	-	-	1,500	1,500	-	1,500	1,500
EARNEST MONEY	-	-	-	-	-	-	-	-	-
PREPAID ASSETS	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 13,273	\$ 978,463	\$ 991,736	\$ 10,458	\$ 329,528	\$ 339,986	\$ 12,951	\$ 308,675	\$ 321,626
ACCOUNTS PAYABLE	1,705	22,431	24,136	1,705	5,565	7,270	554	3,086	3,640
DEFERRED MEMBERSHIP DUES	-	-	-	-	-	-	-	-	-
PAYROLL TAXES	-	-	-	-	4,359	4,359	-	3,568	3,568
LINE OF CREDIT	-	42,263	42,263	-	98,224	98,224	-	88,005	88,005
COMPENSATED ABSENCES	-	-	-	-	2,399	2,399	-	16,446	16,446
NOTES PAYABLE	-	579,169	579,169	-	6,109	6,109	-	16,388	16,388
CAPITAL LEASES PAYABLE	-	-	-	-	-	-	-	-	-
BANK OVERDRAFT	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	\$ 1,705	\$ 643,863	\$ 645,568	\$ 1,705	\$ 116,656	\$ 118,361	\$ 554	\$ 127,493	\$ 128,047
RESTRICTED EQUITY	11,568	334,599	346,167	8,753	327,713	327,713	12,397	181,182	193,579
UNRESTRICTED EQUITY (DEFICIT)	-	-	-	-	(114,841)	(106,088)	-	-	-
TOTAL LIABILITIES AND EQUITY	\$ 13,273	\$ 978,462	\$ 991,735	\$ 10,458	\$ 329,528	\$ 339,986	\$ 12,951	\$ 308,675	\$ 321,626

MULTICULTURAL CHAMBER OF COMMERCE
ANALYSIS OF FINANCIAL INFORMATION AVAILABLE
REVISED JULY 6, 2011

Excerpts: See complete Form 990s

	FORM 990 TMF 30-Jun-10	FORM 990 TMCC 30-Jun-10	CONSOLIDATED 990 30-Jun-10	FORM 990 TMF 30-Jun-09	FORM 990 TMCC 30-Jun-09	CONSOLIDATED 990 30-Jun-09	FORM 990 TMF 30-Jun-08	FORM 990 TMCC 30-Jun-08	CONSOLIDATED 990 30-Jun-08
DETAIL OPERATING EXPENSES									
ACCOUNTING/AUDIT	-	4,921	4,921	-	8,954	8,954	-	9,725	9,725
ADVERTISING	-	-	-	-	-	-	-	-	-
AMORTIZATION	-	8,289	8,289	-	-	-	-	-	-
AWARDS BANQUET	-	-	-	-	-	-	-	-	-
BANK CHARGES	168	-	168	194	-	194	201	2,715	2,916
CONTRACT LABOR	-	9,833	9,833	-	-	-	-	4,680	4,680
DEPRECIATION	-	4,851	4,851	-	5,472	5,472	-	4,322	4,322
EMPLOYEE BENEFITS	-	33,740	33,740	-	56,016	56,016	37	17,125	17,125
EQUIPMENT RENTAL AND MAINTENANCE	-	-	-	-	-	-	-	21,938	21,975
FLOWERS AND GIFTS	-	-	-	-	-	-	-	1,187	1,187
FUNDRAISING	-	70,943	70,943	-	-	-	-	-	-
INSURANCE	-	6,761	6,761	-	-	-	-	3,808	3,808
INTEREST	-	4,031	4,031	-	-	-	-	7,666	7,666
MEETINGS AND CONFERENCES	-	-	-	-	-	-	-	-	-
MEMBERSHIPS AND FEES	-	2,692	2,692	-	-	-	-	4,407	4,407
MISCELLANEOUS	-	5,919	5,919	-	93,958	93,958	-	5,216	5,216
OFFICE SUPPLIES	-	6,582	6,582	-	-	-	-	9,232	9,232
PARKING FEES	-	4,492	4,492	-	-	-	-	67	67
PAYROLL TAXES	-	13,592	13,592	-	15,358	15,358	-	14,300	14,300
POSTAGE AND DELIVERY	-	-	-	-	-	-	-	4,810	4,810
PRINTING AND PUBLICATIONS	-	7,787	7,787	-	-	-	-	15,889	15,889
PROPERTY TAXES	-	7,321	7,321	-	-	-	-	1,102	1,102
RENT	-	72,217	72,217	-	46,871	46,871	-	46,971	46,971
REPAIRS AND MAINTENANCE	-	-	-	-	-	-	-	-	-
SALARIES	-	176,457	176,457	-	237,779	237,779	-	230,896	230,896
TELEPHONE	-	-	-	-	-	-	-	10,602	10,602
TRAVEL	-	21,234	21,234	-	54,303	54,303	-	17,485	17,485
UTILITIES	-	-	-	-	-	-	-	-	-
GRANTS TO TMCC	127,671	-	-	228,725	-	-	169,593	-	-
TOTAL EXPENSES	\$ 127,839	\$ 461,662	\$ 461,830	\$ 228,919	\$ 518,711	\$ 518,905	\$ 169,631	\$ 434,143	\$ 434,381



Tuesday, July 12, 2011

Property Report

Property Report

421 E MI King Blvd, Chattanooga, TN 37403-4110
Hamilton County, TN parcel# 145D T 018

HUD LAND

Location

Property Address 421 E MI King Blvd
Chattanooga, TN 37403-4110

Subdivision

County Hamilton County, TN

Current Owner

Name Chatt African American Chamber Of
Commerce Inc

Mailing Address

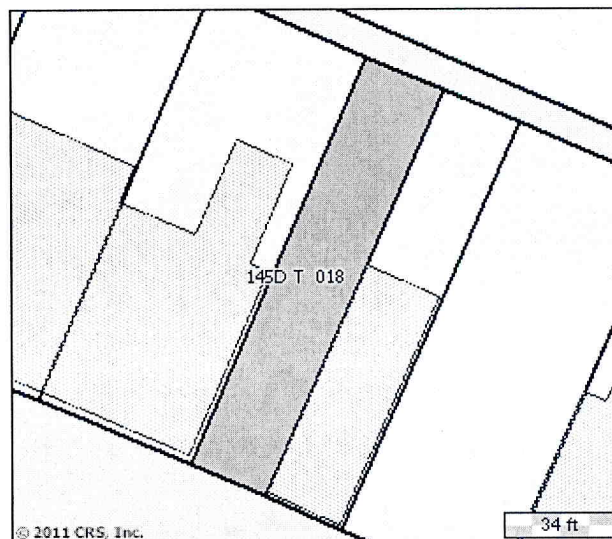
535 Chestnut St Ste 200
Chattanooga, TN 37402-4944

Property Summary

Property Type Commercial
Land Use Vacant Land Commercial

Improvement Type

Square Feet



General Parcel Information

Parcel/Tax ID 145D T 018

Alternate Parcel ID

Account Number

District/Ward 1

Census Tract/Block 15.00/1

Sales History through 06/29/2011

Date	Amount	Buyer/Owners	Buyer/Owners 2	Instrument	Quality	Book/Page or Document#
11/23/2005		Chatt African American Chamber				7761/667
03/22/1999	\$5,000					5315/547
05/21/1982	\$8,300					2869/684
09/29/1977	\$11,082					2865/
01/01/1944						901/288

Tax Assessment

Appraisals	Amount	Taxes	Amount	Jurisdiction	Rate
Tax Year	2010	City Taxes	\$156.09	Chattanooga	2.3090
Appraised Land	\$16,900	County Taxes	\$186.93	Hamilton	2.7652
Appraised Improvements	\$0	Total Taxes	\$343.02		
Total Tax Appraisal	\$16,900	Exempt Amount			
Total Assessment	\$6,760	Exempt Reason			

Mortgage History

No mortgages were found for this parcel.

Property Characteristics: Building

No Buildings were found for this parcel.

Property Characteristics: Extra Features

No extra features were found for this parcel.

Property Characteristics: Lot

Land Use Vacant Land Commercial
Block/Lot 10/3Lot Dimensions 25X135
Lot Square Feet 33

Latitude/Longitude | 35.044236°/-85.303379°

Acreage |

Property Characteristics: Utilities/Area

Gas Source

Electric Source

Water Source

Sewer Source

Zoning Code

Owner Type

C3

Road Type

Topography

District Trend

Special School District 1

Special School District 2

Legal Description

Subdivision

Block/Lot

District/Ward

10/3

1

Plat Book/Page
Description

Z1/1

Pt Lt 3 Blk 10 Parks Fosters Pb Z1

Pg1 Er6790 Er6791 Exempt

Application #1856 D

Tuesday, July 12, 2011

421 E MI King Blvd, Chattanooga, TN 37403-4110
Hamilton County, TN parcel# 145D T 018

COPYRIGHT © 2011 COURTHOUSE RETRIEVAL SYSTEM. ALL RIGHTS RESERVED.
Information Deemed Reliable But Not Guaranteed.
Contact Us at (800) 374-7488 ext 3 for Help.



Tuesday, July 12, 2011

Property Report

Property Report

415 E MI King Blvd, Chattanooga, TN 37403-4110
Hamilton County, TN parcel# 145D T 019

HUD LAND

Location

Property Address 415 E MI King Blvd
Chattanooga, TN 37403-4110

Subdivision

County Hamilton County, TN

Current Owner

Name Chatt African American Chamber Of
Commerce Inc**Mailing Address** 535 Chestnut St Ste 200
Chattanooga, TN 37402-4944

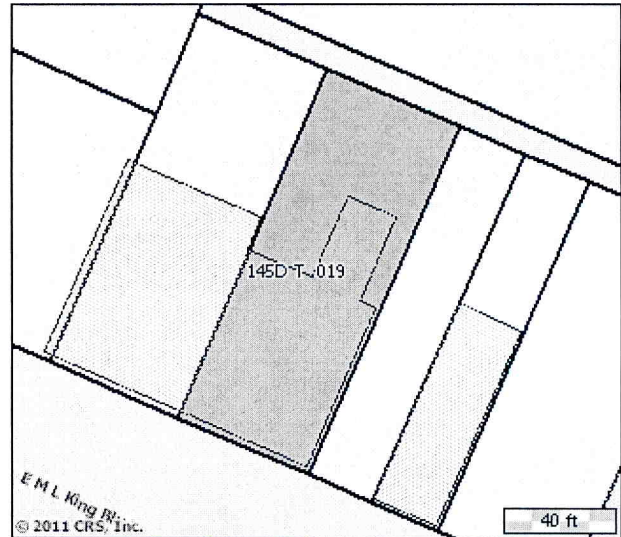
Property Summary

Property Type Commercial
Land Use Vacant Land Commercial

Improvement Type

Square Feet

General Parcel Information

Parcel/Tax ID 145D T 019**Alternate Parcel ID****Account Number****District/Ward** 1**Census Tract/Block** 15.00/1

Sales History through 06/29/2011

Date	Amount	Buyer/Owners	Buyer/Owners 2	Instrument	Quality	Book/Page or Document#
11/23/2005		Chatt African American Chamber				7761/667
11/20/1997	\$49,000					4982/192
12/11/1990	\$40,000					3820/479
03/27/1984	\$11,126					ITEM/1181
03/27/1984						3082/440

Tax Assessment

Appraisals	Amount	Taxes	Amount	Jurisdiction	Rate
Tax Year	2010	City Taxes	\$283.55	Chattanooga	2.3090
Appraised Land	\$30,700	County Taxes	\$339.57	Hamilton	2.7652
Appraised Improvements	\$0	Total Taxes	\$623.12		
Total Tax Appraisal	\$30,700	Exempt Amount			
Total Assessment	\$12,280	Exempt Reason			

Mortgage History

No mortgages were found for this parcel.

Property Characteristics: Building

No Buildings were found for this parcel.

Property Characteristics: Extra Features

No extra features were found for this parcel.

Property Characteristics: Lot

Land Use Vacant Land Commercial
Block/Lot 10/2**Lot Dimensions** 50.49X135
Lot Square Feet 68

Latitude/Longitude 35.044278°/-85.303493°

Acreage

Property Characteristics: Utilities/Area

Gas Source

Electric Source

Water Source

Sewer Source

Zoning Code

Owner Type

C3

Road Type

Topography

District Trend

Special School District 1

Special School District 2

Legal Description

Subdivision

Block/Lot

District/Ward

10/2

1

Plat Book/Page
Description

Z1/1

Lt 2 Blk 10 Parks Fosters Pb Z1 Pg1
Pu4815 Pu4816 Er22044 Delete Bldg
For 2003

Tuesday, July 12, 2011

415 E MI King Blvd, Chattanooga, TN 37403-4110
Hamilton County, TN parcel# 145D T 019

COPYRIGHT © 2011 COURTHOUSE RETRIEVAL SYSTEM. ALL RIGHTS RESERVED.
Information Deemed Reliable But Not Guaranteed.
Contact Us at (800) 374-7488 ext 3 for Help.



Tuesday, July 12, 2011

Property Report

Property Report

411 E MI King Blvd, Chattanooga, TN 37403-4110
Hamilton County, TN parcel# 145D T 020

HUD LAND

Location

Property Address 411 E MI King Blvd
Chattanooga, TN 37403-4110

Subdivision

County Hamilton County, TN

Current Owner

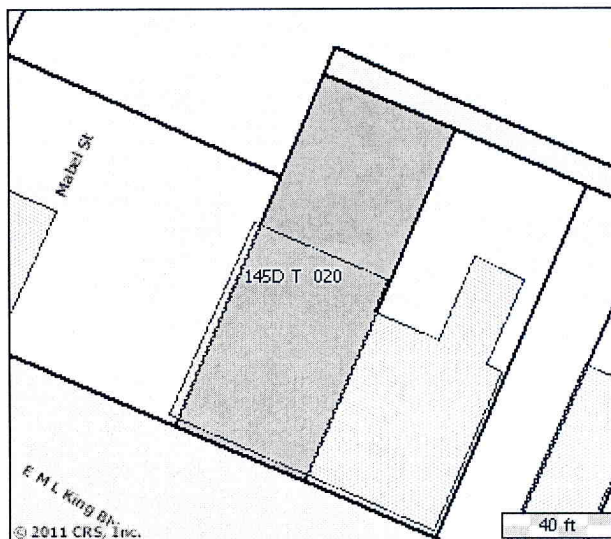
Name Chatt African American Chamber Of
Commerce IncMailing Address 535 Chestnut St Ste 200
Chattanooga, TN 37402-4944

Property Summary

Property Type Commercial
Land Use Vacant Land Commercial

Improvement Type

Square Feet



General Parcel Information

Parcel/Tax ID 145D T 020

Alternate Parcel ID

Account Number

District/Ward 1

Census Tract/Block 15.00/1

Sales History through 06/29/2011

Date	Amount	Buyer/Owners	Buyer/Owners 2	Instrument	Quality	Book/Page or Document#
11/23/2005		Chatt African American Chamber				7761/667
11/20/1997	\$27,500					4982/194
01/01/1911						T10/437

Tax Assessment

Appraisals	Amount	Taxes	Amount	Jurisdiction	Rate
Tax Year	2010	City Taxes	\$280.77	Chattanooga	2.3090
Appraised Land	\$30,400	County Taxes	\$336.25	Hamilton	2.7652
Appraised Improvements	\$0	Total Taxes	\$617.02		
Total Tax Appraisal	\$30,400	Exempt Amount			
Total Assessment	\$12,160	Exempt Reason			

Mortgage History

Date	Loan Amount	Borrower	Lender	Book/Page or Document#
1/21/2000	\$109,250	Henderson Iii C C Henderson Berlean L	Union Planters Bank	5523/035

Property Characteristics: Building

No Buildings were found for this parcel.

Property Characteristics: Extra Features

No extra features were found for this parcel.

Property Characteristics: Lot

Land Use Vacant Land Commercial Lot Dimensions 50X135

Block/Lot	10/1	Lot Square Feet	67
Latitude/Longitude	35.044332°/-85.303644°	Acreage	

Property Characteristics: Utilities/Area

Gas Source		Road Type	
Electric Source		Topography	
Water Source		District Trend	
Sewer Source		Special School District 1	
Zoning Code	C3	Special School District 2	
Owner Type			

Legal Description

Subdivision		Plat Book/Page	Z1/1
Block/Lot	10/1	Description	Lt 1 Blk 10 Parks Fosters Pb Z1 Pg 1
District/Ward	1		Er11165 Pu7121 Er22045 Delete
			Bldgs For 2003

Tuesday, July 12, 2011

411 E MI King Blvd, Chattanooga, TN 37403-4110
Hamilton County, TN parcel# 145D T 020

COPYRIGHT © 2011 COURTHOUSE RETRIEVAL SYSTEM. ALL RIGHTS RESERVED.
Information Deemed Reliable But Not Guaranteed.
Contact Us at (800) 374-7488 ext 3 for Help.



Thursday, July 07, 2011

Property Report

423 E MI King Blvd, Chattanooga, TN 37403-4110
Hamilton County, TN parcel# 145D T 017

Property Report

Location

Property Address 423 E MI King Blvd
Chattanooga, TN 37403-4110

Subdivision

County Hamilton County, TN

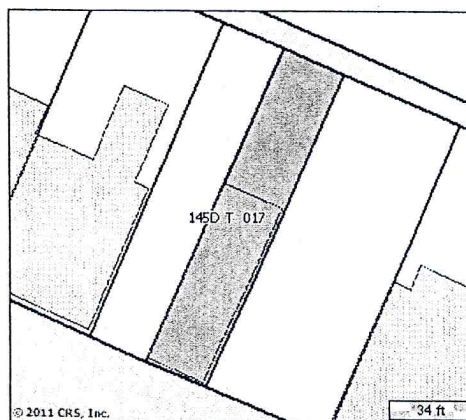
Current Owner

Name Tmcc Foundation
Mailing Address 535 Chestnut St Ste 200
Chattanooga, TN 37402-4944

Property Summary

Property Type Commercial
Land Use Personal Service
Improvement Type General Office
Square Feet 3750 sf

General Parcel Information

Parcel/Tax ID 145D T 017
Alternate Parcel ID
Account Number
District/Ward 1
Census Tract/Block 15.00/1

Sales History through 06/27/2011

Date	Amount	Buyer/Owners	Buyer/Owners 2	Instrument	Quality	Book/Page or Document#
10/21/2008	\$250,000	Tmcc Foundation				8786/404
01/01/1967						1710/562

Tax Assessment

Appraisals	Amount	Taxes	Amount	Jurisdiction	Rate
Tax Year	2010	City Taxes	\$1,525.79	Chattanooga	2.3090
Appraised Land	\$33,800	County Taxes	\$1,827.24	Hamilton	2.7652
Appraised Improvements	\$131,400	Total Taxes	\$3,353.03		
Total Tax Appraisal	\$165,200	Exempt Amount			
Total Assessment	\$66,080	Exempt Reason			

Mortgage History

No mortgages were found for this parcel.

Property Characteristics: Building

Building #	Type	Condition	Sq Feet	Year Built	Effective Year	BRs	Baths	Rooms	Stories	Units
1	General Office		1875	1920	1975					
Building Square Feet (Living Space)					Building Square Feet (Other)					
First Story (Base)			1875							
Construction										
Quality		Average			Roof Framing					
Shape					Roof Cover Deck					
Partitions					Cabinet Millwork					
Common Wall					Floor Finish					
Foundation					Interior Finish					
Floor System					Air Conditioning					
Exterior Wall					Heat Type					
Structural Framing					Bathroom Tile					
Fireplace					Plumbing Fixtures					
Other										
Occupancy					Building Data Source					

Property Characteristics: Building

Building #	Type	Condition	Sq Feet	Year Built	Effective Year	BRs	Baths	Rooms	Stories	Units
2	Multiple Reside		1875	1920	1960					
Building Square Feet (Living Space)			Building Square Feet (Other)							
First Story (Base)			1875							
Construction										
Quality		Average			Roof Framing					
Shape					Roof Cover Deck					
Partitions					Cabinet Millwork					
Common Wall					Floor Finish					

Foundation		Interior Finish	
Floor System		Air Conditioning	
Exterior Wall		Heat Type	
Structural Framing		Bathroom Tile	
Fireplace		Plumbing Fixtures	
Other			
Occupancy		Building Data Source	

Property Characteristics: Extra Features
No extra features were found for this parcel.

Property Characteristics: Lot

Land Use	Personal Service	Lot Dimensions	25X135
Block/Lot	10/3	Lot Square Feet	33
Latitude/Longitude	35.044209°/-85.303303°	Acreage	

Property Characteristics: Utilities/Area

Gas Source		Road Type	
Electric Source		Topography	
Water Source		District Trend	
Sewer Source		Special School District 1	
Zoning Code	C3	Special School District 2	
Owner Type			

Legal Description

Subdivision		Plat Book/Page	Z1/1
Block/Lot	10/3	Description	Pt Lt 3 Blk 10 Parks Fosters Pb Z1 Pg
District/Ward	1		1 0087 07 13
Thursday, July 07, 2011			423 E MI King Blvd, Chattanooga, TN 37403-4110
			Hamilton County, TN parcel# 145D T 017

COPYRIGHT © 2011 COURTHOUSE RETRIEVAL SYSTEM. ALL RIGHTS RESERVED.
Information Deemed Reliable But Not Guaranteed.
Contact Us at (800) 374-7488 ext 3 for Help.



Thursday, July 07, 2011

Property Report

439 E MI King Blvd, Chattanooga, TN 37403-4110
Hamilton County, TN parcel# 145D T 014

Property Report

Location

Property Address 439 E MI King Blvd
Chattanooga, TN 37403-4110

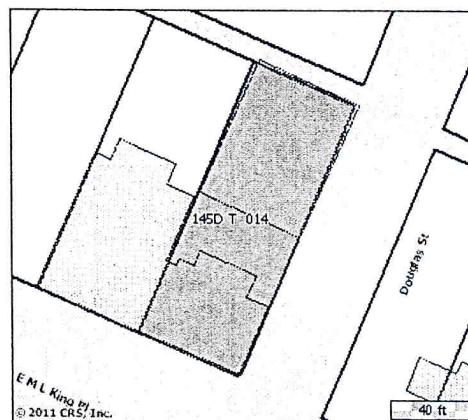
Subdivision

County Hamilton County, TN

Current Owner

Name Tennessee Multicultural Chamber Of
Commerce IncMailing Address Po Box 1189
Chattanooga, TN 37401-1189

Property Summary

Property Type Commercial
Land Use Vacant Land Commercial
Improvement Type
Square Feet

General Parcel Information

Parcel/Tax ID 145D T 014
Alternate Parcel ID
Account Number
District/Ward 1
Census Tract/Block 15.00/1

Sales History through 06/27/2011

Date	Amount	Buyer/Owners	Buyer/Owners 2	Instrument	Quality	Book/Page or Document#
10/13/2008	\$250,000	Tennessee Multicultural Chamber				8780/659
08/15/2007						8444/624
04/19/2001	\$80,000					5840/996
01/10/1996						4620/438
12/18/1987	\$25,000					3436/128
01/01/1943						853/689

Tax Assessment

Appraisals	Amount	Taxes	Amount	Jurisdiction	Rate
Tax Year	2010	City Taxes	\$430.40	Chattanooga	2.3090
Appraised Land	\$46,600	County Taxes	\$515.43	Hamilton	2.7652
Appraised Improvements	\$0	Total Taxes	\$945.83		
Total Tax Appraisal	\$46,600	Exempt Amount			
Total Assessment	\$18,640	Exempt Reason			

Mortgage History

No mortgages were found for this parcel.

Property Characteristics: Building

No Buildings were found for this parcel.

Property Characteristics: Extra Features

Feature	Size or Description	Year Built	Condition
Chain Link Fenc		2005	Average

Property Characteristics: Lot

Land Use Vacant Land Commercial
Block/Lot 10/6
Lot Dimensions 50X135
Lot Square Feet 67
Latitude/Longitude 35.044057°/-85.302884°
Acreage

Type	Land Use	Size	Tax Assessor Value
Commercial		67.5 SF	\$30,400.00
Commercial		0000000 SC	\$16,200.00

Property Characteristics: Utilities/Area

Gas Source
Electric Source
Water Source
Sewer Source
Zoning Code C3
Owner Type
Road Type
Topography
District Trend
Special School District 1
Special School District 2

Legal Description

Subdivision		Plat Book/Page	Z1/1
Block/Lot	10/6	Description	Prorate Razed Bldg For 2010 Lt 6 Blk 10 Parks Fosters Sub Pb Z1 Pg1 Er930 0087 07 10 Er19096 (Bldg Down 8-7-98)
District/Ward	1		
Thursday, July 07, 2011		439 E MI King Blvd, Chattanooga, TN 37403-4110 Hamilton County, TN parcel# 145D T 014	

COPYRIGHT © 2011 COURTHOUSE RETRIEVAL SYSTEM. ALL RIGHTS RESERVED.
Information Deemed Reliable But Not Guaranteed.
Contact Us at (800) 374-7488 ext 3 for Help.